(Sveriges regering, EU kommissionen och parlamentet, SKL, etc.)

**Region Norrbotten och Region Västerbotten input on the consultation for raw material act**

*Region Norrbotten och Region Västerbotten is the two most northern regions in Sweden.*

The European Commission are asking for input on the consultation for EU Raw material act. The raw material act aims to strengthen the EU's access to critical raw materials - through the identification of mineral resources and raw materials projects in EU's strategic interest. To achieve the green and digital transitions, EU must significantly increase and diversify its critical raw materials supply, strengthen circularity and support research and innovation. In Europe a quarter of the world's raw materials are used, but production only amounts to around three percent.

Sweden is the EU's leading mining nation in terms of extraction of primary metals and minerals, both in terms of value and extracted volume. In northern Sweden, there are world-leading industries and research centers for sustainable extraction and processing of raw materials. There is a long tradition of expertise, experience and competence throughout the value chain and makes northern Sweden a leader in the development of sustainable mining in Europe. Northern Sweden plays a significant role in Europe's continued competitiveness, with a large contribution to the circular economy and through the rich supply of metal and minerals.

Region Norrbotten and Region Västerbotten welcomes the initiative for a raw material act that will strengthen the work for achieving a raw material supply within the EU. Our green and digital transitions make us increasingly dependent on metals and minerals, that often come from global value chains with significant problems linked to for example environmental impact, corruption, child labor and armed conflicts. Individual countries have control over a large part of these value chains, which makes the system vulnerable both for business and military defence.

**Region Norrbotten and Region Västerbotten positions in brief:**

* The raw material act should contribute to a sustainable mining industry with consideration for the areas where mining take place. It should ensure sustainable and responsible extraction.
* The raw material act should create a model for regional returns on extraction and use of natural resources, a so-called regional natural resource fee. To increase the social acceptance of the mining industry in the regions.
* Significant research and innovation efforts are needed for the mineral and mining industry to succeed in increasing the EU's level of self-sufficiency and an expansion of infrastructure in the regions.
* The legislation should apply a broadened focus covering the entire value chain, as value chains for critical raw materials are closely linked to base metals
* Involve regions in the work on critical raw materials - through the strategy of smart specialization, to create social acceptance

Contribute to a sustainable mining industry with safe and attractive workplaces

The raw material act should contribute to an increased knowledge of sustainable mining with low climate emissions and with consideration for biological diversity in the areas where mining take place. It must ensure sustainable and responsible extraction.

In northern Sweden, there are world-leading industries and research centers for sustainable extraction and processing of raw materials. There is a long tradition of expertise, experience, and competence throughout the value chain. Sweden has an important role in increasing knowledge about sustainable mining. For example, by highlighting the examples and plans that exist among Swedish companies and showing how mining operations can be conducted with low climate emissions and a net positive contribution to biological diversity in the areas where mining take place.

Significant research and innovation efforts

The raw material act should contribute to ensuring that sufficient research finances are secured for the entire mineral value chain and that the financing models become attractive to the qualitative research teams.

Significant efforts in research and innovation are needed for the mineral and mining industry to succeed in increasing the EU's level of self-sufficiency and securing a sustainable supply of minerals and metals. Targeted investment is needed to support the sector throughout the value chain, starting with exploration, to sustainable mining, processing and mineral extraction, refining and recycling. The research should also focus on environmental aspects such as biological diversity, water and waste management, social acceptance and aspects of safe and attractive workplaces. The research community in the minerals and metals sector is still small in the EU, although some parts of the value chain, such as mining technology, are globally at the forefront of their fields. To increase the EU's security of supply, all parts of the value chain must be taken into account. In order to strengthen competence and to support industry, it is of great importance that the support directed to research and innovation applies funding models that are attractive to prominent research teams. The financing model in, for example, EIT KIC RawMaterials assumes that the projects can be quickly commercialized and repaid to the financier, but they need to be supplemented with strong support for projects that carry a higher risk and are further away from commercialization. With the EU's high ambitions, all different types of raw material will need to be explored, which creates completely new value chains and new needs for more basic research, which is currently not covered by the EU's funds and programs.

A broadened focus covering the entire value chain

With an increased demand for raw materials, primary resources will continue to play a key role for European value chains, at the same as recycling needs to take place from secondary sources as well. Innovative efforts led by companies and research clusters to optimize the early stages of the value chain, including resource efficiency and process improvements in both exploration and extraction, limit climate impacts, should have a role in the strategy.

The need and access for sustainable base metals should also be taken into account in order for Europe to be able to strengthen its resilience and strategic independence. For example, mining company LKAB, hydropower company Vattenfall and steel manufacturing company SSAB have joined forces to develop the world's first fossil-free steelmaking technology, with virtually no carbon footprint. Sustainable development initiatives targeting all dimensions of the base metals value chain should be encouraged and supported by the EU.

Critical raw materials are usually a by-product from ores or bearing metals where critical raw materials occur in lower concentrations. Critical raw materials are usually not the raw material that provides profitability and are usually not the main purpose of exploration. This is important knowledge in order to understand how it is all connected - that critical raw materials are found together with other base metals in the bedrock and are not mined separately.

Each member state should be tasked with defining what is strategically important based on its economy and security policy situation. The raw material strategy needs to be future-proofed and the internal capacity built up in the EU. Projects and innovations are needed within the entire value chain. A one-sided focus on what is critical today risks leading to new dependencies and new critical situations.

Involve regions in the work on critical raw materials

To a large extent, these critical raw materials and minerals are found in Sweden's northernmost regions. Therefore, Region Norrbotten and Region Västerbotten emphasizes the importance of a multi-level strategy to secure supply chains, from sustainable extraction to reliable transport in close cooperation with the concerned regions.

The mining and mineral industry, with extraction, processing and subcontracting, has an important role for business in the regions concerned. For sustainable growth in the industry, investments in social development in the area are also needed, for example through the structural funds.

Europe's mining regions are financiers of research and innovation projects through own funds, national funds, such as Structural Funds and territorial cooperation based on Smart Specialization Strategies (S3). Regional and local development strategies have been essential for regions to tailor investments to fit the specific needs of each territory. The European Commission should therefore encourage the European research area (ERA-MIN), the European Raw Materials Alliance (ERMA) and Innovation for climate action (EIT KIC) to involve representatives of the mining regions of Europe in the strategic plans for investment and research efforts. Efforts to facilitate strategic investments in knowledge, technology and innovation are crucial for sustainable development, reliable supply and European competitiveness.

EU's role as facilitator and financier

Region Norrbotten and Region Västerbotten wants to clarify the EU's role as financier and facilitator for the exchange of experience and knowledge. The EU should provide platforms and networks where the exchange of experience and knowledge about permit processes and social acceptance can be mediated between the member states. How national permit processes for mining projects should be set up is a matter that should be handled at the national level. There is no need for special treatments regarding permits for certain selected projects. Rather, the emphasis should be on encouraging each Member State to make general adjustments to national authorization processes to make them more predictable, streamlined and efficient.

The raw material act should set EU targets for increased domestic production of critical raw materials and other metals and minerals needed for the green transition for all stages of the value chain (exploration, extraction, refining and recycling). However, it should be up to Member States to achieve the targets depending on their geological and industrial potential.

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